EXHIBIT C

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

----------x

In the Matter

of

DANA CORPORATION,

Debtors.

----------x

Index No.
06-10354

September 19, 2007

United States Custom House
One Bowling Green
New York, New York 10004

Hearing in re Jones Day Notice of Amended Agenda of Matters Scheduled.

B E F O R E:

HON. BURTON R. LIFLAND,

U.S. Bankruptcy Judge

A P P E A R A N C E S:

~8145821.txt

JONES DAY

Attorneys for the Debtors
1420 Peachtree Street, N.E.
Atlanta, Georgia 30309

BY: JEFFREY B. ELLMAN, ESQ.,

RICHARD H. ENGMAN, ESQ.,
STEVEN C. BENNETT, ESQ.,
222 East 41st Street
New York, New York 10017

KEVIN P. HOLEWINSKI, ESQ.
51 Louisiana Avenue, N.W.
Washington, D.C. 20001

PACHULSKI STANG ZIEHL YOUNG JONES & WEINTRAUB LLP

Conflicts Counsel for the Debtors
780 Third Avenue
New York, New York 10017

BY: ROBERT J. FEINSTEIN, ESQ.,
MARIA A. BOVE, ESQ.

KRAMER LEVIN NAFTALIS & FRANKEL LLP

Attorneys for the Committee of Unsecured Creditors
1177 Avenue of the Americas
New York, New York 10036

BY: THOMAS MOERS MAYER, ESQ.,
STEPHEN ZIDE, ESQ.

♀

A P P E A R A N C E S (Continued):

DIANA G. ADAMS Acting United States Trustee
Region 2

UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE UNITED STATES TRUSTEE
33 Whitehall Street
New York, New York 10004

~8145821.txt

BY: ANDREW D. VELEZ-RIVERA, ESQ.,

of Counsel

MICHAEL J. GARCIA, United States Attorney
for the Southern District of New York

UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE UNITED STATES ATTORNEY
86 Chambers Street
New York, New York 10007

BY: RUSSELL M. YANKWITT, ESQ.,
PIERRE G. ARMAND, ESQ.,

Assistant United States Attornies

P R O C E E D I N G S:

MR. ELLMAN: Good morning, your Honor. Jeffrey Ellman from Jones Day on behalf of the debtors. We have submitted our agenda for today and we're going to go roughly in order of the agenda, we might do maybe one out of order a little bit, but roughly in order of the agenda.

The first two items have been adjourned, so we are really starting collectively items three and four. It's a short agenda, but we have some important matters, and only one thing I believe is contested, which is at the end of the agenda.

The first two items we are very pleased to bring before the court are the first motion that addresses the fundamental commercial relationships that Dana has with its customers. These are Ford and Chrysler, which we are going to do in that order, which is the opposite of the agenda, if it's okay with the court. At the next hearing you'll see motions filed that relate to GM and Toyota.

As the court is aware, the customer relationships are critical to Dana, to its business and to its restructuring efforts. And there has been a longstanding effort in this case to address the customer pricing and profitability issues, and I think the court is somewhat aware of that. But before we get into these two motions, what I propose to do, if it is okay with the

court, is to go through a little bit of background as to what Dana has been doing on the customer initiative in this case to broaden the background to the two motions.

THE COURT: Go ahead.

MR. ELLMAN: Your Honor, some of this may sound a bit familiar because you probably recall that some of this was discussed in the labor trial, the 1113, 1114 matters, and there is some discussion of this also in the disclosure statement, if your Honor has had a chance to peruse that at all. You may recall that Dana has been looking at restructuring issues as for annual profitability and improvement in the range of 405 to 540 million dollars. And you may recall that there have been different iterations of a sort of bubble chart describing the source of this potential savings. There were six basic buckets --

THE COURT: Bubbles and buckets.

MR. ELLMAN: Exactly. We have had the overhead, we had the manufacturing footprint, the retiree cost, the labor union and nonunion, as well as the vendors. And of course the sixth one, which is what we are talking about really today, is the customer, the pricing and profitability of piece of this. And that number that was assigned to that piece, that bucket or what have you, was 175 to 220 million dollars, and those are the annual savings being sought from customers. It is obviously

critical, as you've heard I think more than once, the returning U.S. operations to viability and long term profitability.

The pressures that have been facing Dana in the marketplace have been severe. There have been increasing commodity material costs, inflation of those costs have been significant, and those are costs that are hard to pass to the customers. You've had pressures on the OEM manufacturers, as the court I'm sure is aware, of the loss of market share, continuous pressure to price down to match prices from low cost countries, competitive pressure in the market, and of course pressure for improvements of productivity which also pressures to pass our savings on to customers. Volumes have been down. The industry has experienced soft sales market, less revenues for companies like Dana, less ability to recoup capital costs from sales.

So all these sort of come together and bring us to the point where profitability is an issue in many customer programs. So the process was put in place, described to this court I think at least on one or two

occasions in the past, is to look at all the vehicle programs, put them out on the table, take a hard look and particularly focusing on one hundred of the programs looking at I think four things in particular. Strategic importance of the customer, the need for a diverse customer

base, whether there are alternatives to the customers in sourcing, and what is the history of price down; what is the price of history with that particular customer?

So Dana developed what was, in their view, the appropriate price and economic relief for each of the customers. We developed customer specific strategy as opposed to a vague and broad strategy, but we targeted the individual customers, and in the beginning of the summer of 2006, began to discuss the economics and pricing issues with customers.

And as the court can I'm sure appreciate, going to customers and asking for this kind of economic relief is no easy feat. The customers have long standing and very broad relationships with Dana. They have a great deal of economic influence in the marketplace and they are under their own pressures in the marketplace themselves. So going into this environment and asking for this kind of relief, which is already difficult to do, becomes more difficult.

Nevertheless, Dana goes out and is looking for the 175 to 225 million in annual, ongoing savings from customers; they are going to Ford and Chrysler, both of which are in front of the court today, GM, Toyota and other customers. So it's a very broad program and a lot of work over many months. And two of the people who were really

responsible in a very large way for that effort are here today in the courtroom, and I would like to introduce to the court, Robert Fesenmyer who is here.

MR. FESENMYER: Good morning, your Honor.

THE COURT: Good morning.

MR. ELLMAN: And he is the president of the global business developed of Dana. He's been at Dana for over 30 years, and you have at least four declarations from Mr. Fesenmyer on the four motions that are pending. He is the witness who would testify to the support of these motions that are pending.

And Ted Stenger, who is here, is the chief restructuring officer of Dana, who I think the court is familiar with. He had testified to some of the background on the customer programs in the past in connection with the labor trial. And he also was very much involved in the discussions with customers.

Now between Mr. Stenger and Mr. Fesenmyer and a lot of other people engaging in meetings with these customers, you start at the end of 2006 and the beginning half of 2007 to reach agreements with customers. And we are starting to get some price relief, some of which is being implemented immediately and some of which comes in over time. And then the fun part begins, which is documenting those agreements, which in some cases have

taken a very long period of time. But the effort was ultimately well worth it. And if you look at 175 to 225

million dollars that we are looking for in annual price relief, economic relief from customers, what you end up with is what we expect to be 180 million dollars in annualized profit improvements from customers. It's within the range that we targeted, it will be an important contribution to the restructuring, it will be an important component of our going forward business.

So that's sort of the background leading us to the Ford motion. And the Ford motion, which is actually agenda item four in your binder, seeks approval of a series of four different agreements with Ford, commercial agreements. And this is an example of taking some time to document these. We had an agreement in principal reached in December of 2006 with Ford, and these agreements were signed in August and were promptly brought to the court for approval after they were executed. So obviously they represent many months of hard work with the parties, and allows us to continue to be a supplier of, and a business partner with Ford for hopefully many years. So Dana is extremely pleased to be able to bring this to the court.

Now before we get into the actual details of what are in these documents, I think there are a couple of preliminary things I wanted to raise. And one is I

think the most important one, which is that the specific terms of these agreements and at least some of the justifications that go behind the agreements, why they are appropriate from a business perspective in its business judgment had highly confidential and sensitive. It brings in pricing, it brings in other commercial terms and conditions.

So what we have done, and I think your Honor is aware, is we have filed a declaration by Mr. Fesenmyer, one of the declarations I referred to earlier, under seal, with the Court's permission, which describes the confidential or at least many of the confidential business justifications for the transaction, and it does attach the commercial agreements. But the commercial agreements and those confidential business justifications are not in the public record and have not be included in our motion.

So what we intend to do today is to talk very briefly on the record about the non confidential aspects of the settlement. These are consistent with what's in the motion we did file. And our view is that with that description, with the motion that's publicly available, with the papers that the court has that have been filed under seal that are available to your Honor and that have been shared, of course, with the professionals

for the creditors' committee, we think there is sufficient basis simply to take that in and to rule today.

If the court, for whatever reason it did have specific questions, did want to talk more about the terms of the agreements or wanted to ask questions of counsel or of Mr. Fesenmyer about the contents of the declaration that he would testify to if so asked, we would request that that be done in camera either in chambers, or clear the courtroom or what have you, but we are not prepared to talk about those details in a public setting at this point.

The second point, just to mention so it's clear what we are talking about today on Ford is that this relates to the Ford frame business. This relates to Dana's sale of vehicle frames to Ford. Dana has other businesses with Ford selling axles and other parts to Ford, and we have been negotiating with Ford on those programs as well, and they are not part of what is in front of the court today, and they may not be ever be presented to the court because those are agreements, like some of our other customer agreements, that were really ordinary course type of settlements. They didn't bring in other types of agreements that would require court approval. So we are really talking about one piece of the Ford business which is important but not the entire scope of the Ford business.

So, finally to the actual contents of what we are asking the court to do today, starting by talking about what Ford is; Ford is our largest customer; it's Dana Company's largest customer. It's also the largest customer of Dana's structural solutions group, which is the part of Dana that makes frames for Ford. And those frames relate to a number of programs; the F150 pickup, the F150 Heritage truck, the Expedition Navigator Sport Utility Vehicle, the previously produced frames for the Free Star Van and the super duty truck.

There are a number of programs here at issue. Of these the most prominent and important one is the Ford F150 pickup truck. Dana has made frames for that particular vehicle for 30 years, so it's been an important Dana over the years, and because of all these programs, that Dana based component of it, the sale of frames has

been in the hundreds of millions of dollars on an annual basis.

In the negotiations with Ford at the high level there are basically three points, three topics of discussion. One was pricing for current programs, price relief for things we are doing right now. The second one is ordinary course commercial claims for early termination of programs to recoup capital costs that would have otherwise been recouped through ongoing business where a

program was terminated early, for start up costs for new programs; those types of plans. And the third piece was sourcing for the next generation of the F150 pickup truck known as the P415 program, formalizing that sourcing and pricing for that sourcing so that the price relief we are getting to the current programs will continue into the future with committed new business and committed pricing to achieve that.

So those are the three basic sources of what we are doing here. On the P415 pickup truck, the future business of that program runs, or projected to run from 2008 through 2013. So the per price relief at a price, establishing a price, and other terms relating to the ongoing business, we feel comfortable that the Ford settlement does provide for an ongoing benefit to the estate.

So to summarize the four agreements that we have in front of the court, we have future pricing, we have termination claims resolved, start up costs claims resolved, we have an agreement for Dana to be the primary

but not the sole source of the future F150 frames and under the P415 program, the firm pricing agreements that forego scheduled price downs in the future, and as part of resolving all these appropriate releases between parties, which is part of the reason that we are in front of the

court today, because that is something we need court approval to do.

I think the key point out of all that, if you add all that together, is the pricing increases and commercial terms, all the things I just mentioned, are going to allow now Dana to have an ongoing business with Ford for the frame business that is going to be profitable. We can make and sell the frames profitably which was not true in the past. In the past, most recently anyway, these were programs that were not profitable. And as I mentioned, with the new P415 programs agreements on sourcing and pricing, those benefits will continue beyond this year into the future.

The ordinary course claims that were settled, in Dana's view, the settlements were within what we thought we were entitled to under those claims. We don't believe that there were any significant concessions or give away's, we believe that they were fair settlements of ordinary course claims. The belief by Dana in their business judgment is that they negotiated the best deal that they can under the circumstances. It is plainly preferable from the debtors' perspective to the only other available alternative really that was out there, which was to say these were unprofitable programs we will reject the agreements and walk away from this business.

That alternative, I guess somewhat obvious, but has several down sides, one of which is, of course, substantial impact on our relationship with the customer that does lots of other business with Dana besides this substantial piece of business; lost business, which is, as I mentioned, hundreds of millions of dollars of revenue a year with really no place to replace it. There is no real prospect to replacing that business, and the possibilities of a very large rejection damage claim which presumably would be contested and that would lead to litigation, again litigating with one of our longstanding customers which is not a prospect that will give any benefit to the estate or anyone else.

So you put it all together, your Honor, settlement with our largest customer in a way that we think is fair and appropriate allows us to move forward profitably in the frame business with Ford. We think this will be one of the important cornerstones of the restructuring, and therefore would ask for it to be approved.

And my last culled point would be I guess that the creditors' committee, as I mentioned before, has been -- the professionals have been given copies of the confidential material that the court also has, which is filed under seal. We've had meetings with the committee on

multiple occasions to talk about just some of the customer issues. My understanding is that the committee supports

the relief, and they will tell what their position is themselves, but my understanding is they support the relief, and we have had no objections to the proposal.

So in our view there is no reason to not approve this and we would ask the court, again, to sign the form of order that will attend to it.

THE COURT: Does anyone want to be heard?

I may also note that there are two witnesses present in the court available for inquiry, if anybody wants to make inquiry. Does anyone want to be make inquiry?

There's no response.

MR. MAYER: The committee supports the debtors, your Honor.

THE COURT: Very well. The court has reviewed the documents filed under seal pursuant to Section 107(b)(1), which is appropriate applied, especially in situations such as this. It may very well be that that's the reason that 107 was put into effect and then embellished afterward. But I do find that the business judgement standard has been met and certainly this grand pass is a best interest test and I will approve it.

MR. ELLMAN: Thank you, your Honor. If I

might approach?

THE COURT: Yes.

I've signed the order.

MR. ELLMAN: Thank you, your Honor.

MR. FEINSTEIN: Good morning, your Honor. Robert Feinstein of Pachulski Sang Ziehl and Jones. We are conflicts counsel to debtors and debtors in possession. My

task as conflicts counsel today is to present the Chrysler motion. In as much as Chrysler is a Jones Day client, we handled this matter along with the same personnel of the company, Mr. Fesenmyer and Mr. Stenger.

As Mr. Ellman described to the court, settlements with customers such as Chrysler are a critical part of the debtors' restructuring efforts. And the company faced the same challenges in the Chrysler discussions as it did with Ford in terms of attempting to negotiate major economic concessions from major customers like Chrysler. Chrysler is one of the debtors' five largest customers. Historically Dana has produced and produces axles and prop shafts for Chrysler which we referred to in the motion collectively as component parts that are used in Chrysler sport utility vehicles.

As with Ford, this represents hundreds of millions of dollars of business annually for the Dana Companies, and all the same concerns and economic pressures

affected this relationship as with Ford.

Also the Dana Companies purchase axles from Chrysler, which presents some unique circumstances in that there --

THE COURT: You mean you sell them and then buy them back?

MR. FEINSTEIN: No. Actually Dana buys axles from Chrysler and then incorporates them into components which are then used in vehicles. That's my understanding.

THE COURT: And resold to another OEMs?

MR. FEINSTEIN: I don't think so. I think back to Chrysler is my understanding.

So there are liabilities going in both directions. And one of the matters resolved by the settlement, apart from the pricing and other concerns that were addressed in the Ford situation, is a prepetition agreement between Dana and certain of its affiliates and Chrysler with regard to setoffs that essentially permitted tri parte setoffs where Dana was owed money by Chrysler, Chrysler was owed money by a Dana affiliate. And this agreement purported to give Chrysler the right to offset, among the various obligations with respect to these Dana parties.

Prepetition an issue arose as to whether

Dana Corporation had authority to enter into that setoff agreement on behalf of its subsidiaries. It's one of the issues that's resolved by the settlement. Also Chrysler filed a number of proofs of claims in the case; 715 thousand for axles that were sold by Chrysler to Dana Companies, 75 thousand dollars for warranty claims, and then unliquidated claims for warranty issues.

As with Ford, the debtors determined that it was necessary to approach Chrysler and try to negotiate price concessions as part of the overall restructuring effort. And what ensued was a lengthy series of meetings between representatives of the debtors, representatives of Chrysler, and this culminated in the settlement agreement which is attached to the Fesenmyer declaration that, with the court's permission, was filed under seal. And that agreement reflected months of hard work and effort to

resolve the pricing issues, the issues surrounding the setoff agreement. And as a result of that agreement, Dana is now positioned to continue as an important supplier to Chrysler for years to come.

As with the Ford agreement, there are quite a number of sensitive business matters reflected in the settlement agreement, so that it has been filed under seal. And I would highlight the non confidential terms on the record and offer once again, that if your Honor has

questions about the proprietary aspects that we either do that in camera or clear the courtroom. But on a public level, the settlement agreement has significant pricing changes for the benefit of Dana, some of which are retroactive to earlier this year, the rest of which are prospective and provide considerable economic benefits to Dana going forward.

The agreement also has Dana assuming the setoff agreement that will resolve the controversy surrounding that agreement and assuming other existing purchase orders whose terms weren't modified, but all of these purchase orders going forward now provide Dana with an economically viable platform for the various Chrysler programs that it's party to.

The settlement agreement also provides for the withdrawal of the various proof of claim that Chrysler filed with the caveat that prospective warranty claims are not being released or discharged.

And finally, as with Ford, there is an exchange of mutual releases, save for the obligations that

are set forth in the settlement agreement. And that would include a release of any Chapter 5 claims against Chrysler.

The benefits of the agreement as reflected in the Fesenmyer declaration are quite considerable to the debtors, and the settlement avoids protractive litigation

over the setoff agreement, and obviously allows Dana to move forward in an economically viable position on these programs.

The debtors submit that the motion satisfies the requirements of Section 363 as it's founded on business judgment, all the reasons set forth in the Fesenmyer declaration, as well as the standards for a 9019 settlement, in that the price increases are considerable, the avoidance of litigation is beneficial to the debtor, and the debtors believe that the negotiated terms of the pricing and other terms of the settlement agreement are as favorable as they could have obtained through these negotiations.

As with the situation with Ford, the alternative was to reject these various customer programs and purchase orders. The debtors would have been faced with the same parade of horribles that Mr. Ellman itemized, which would have been negative impact on a relationship with a large customer, potentially large rejection claims, and litigation over those claims as well.

By contrast, the settlement puts the debtor into an excellent position to work with Chrysler going forward on a profitable basis. As with the other settlement, the settlement agreement is the product of substantial arms length negotiations, and it is another

important cornerstone in the debtors' restructuring efforts.

Once again, the debtors kept the committee apprised of its progress. The committee advisers have had access to the confidential information that's been provided to the court, and we understand that the creditors' committee has no opposition to the motion and no objections to the motion have been filed. Accordingly, we ask that your Honor grant the debtors' motion and sign the proposed orders that we've submitted.

THE COURT: Here again, Messrs. Fesenmyer and Stenger are in court. Does anyone want to make inquiry of them?

There is no response. Your request for relief is granted.

Here, too, I note that this is an appropriate result under a business judgment standard, and it also passes the best interest test and I will approve it.

MR. ELLMAN: Thank you, your Honor. We will submit the order at the conclusion of the hearing.

MR. ENGMAN: Good morning, your Honor. Richard Engman of Jones Day a behalf of the debtor.

Your Honor, I'm here this morning asking for approval and authority for the debtors to enter into an

amendment to their purchase agreement with Coupled Products LLC for the sale of their coupled products business.

Your Honor may recall that the original purchase agreement for the coupled products business was approved in conjunction with the debtors' sale of its overall fluids business.

On June 6th, to back up a little, this was the third of the three groups of non core assets that the debtors have sold throughout the case, in addition, starting with trailer axles and engine hard products, in March, your Honor, we filed a motion seeking authority to approve bidding procedures for the auction and sale of the fluid products business. Your Honor approved those bidding procedures, and on June 4th we had an auction with effectively two stalking horses.

The debtors were unable to get a single buyer for all of the assets of the fluid products business, and instead the best offers for stalking horse purposes was an offer for certain of those assets at 75 million. We were, at the time, happy to report that -- excuse me, 70 million. At the auction that group of assets was bid up, and ultimately were the successful bidder at the auction was in exchange of a purchase price of 85 million. Unfortunately on the Coupled Products side there were no other bidders except for the stalking horse bidder.

Your Honor may recall that the coupled products business, the assets related to the coupled products business historically have caused significant operating losses for the debtors. Last year it was in excess of 30 million. The debtors believe that if they were required to shut down that business they would also incur significant losses. There is also union issues and

the like, which was the rationale and business judgment for the debtors accepting the offer from Coupled Products LLC, which was on its face a normal one dollar purchase price, however, it also had a working capital adjustment that the net effect of which would be that the debtors had expected to pay Coupled Products about 10 million dollars to acquire and take the liabilities associated with these assets.

Since that auction, since the order was entered, the debtors and Coupled Products LLC have been working to satisfy the various closing conditions in the asset purchase agreement. The debtors believe, let me back up one more time. Your Honor will note that our motion was filed, today's motion was filed both under Section 363 and Section 9019. The reason for that, your Honor, is that the debtors do believe that all of the closing conditions under the original purchase agreement have been satisfied. Unfortunately, Coupled Products, the proposed buyer, disagrees.

25

We have negotiated and discussed the matter with Coupled Products. While we do believe that all the closing conditions have been satisfied, we don't believe that establishing that in requiring specific performance from Coupled Products could be done quickly or easily. Coupled Products, as I said, maintains that the closing conditions have not been satisfied; that, among others, certain contracts needed to be -- they needed to reach agreements on certain contracts to their reasonable satisfaction.

There is also a portion of the business

that we refer to as the ITAR assets that the U.S. State Department has, and those assets are products that the business produces for military vehicles. The state department has said that they wouldn't sign off on the sale to the buyer if it included those assets. The debtors believe that those assets are a small portion of the business and not material, and that they could nevertheless require the purchaser to close.

Notwithstanding that, as I stated, the purchaser disagrees, which brings us to where we are today, which is in the debtors' reasonable business judgment we believe settlement of these issues rather than a litigation and an attempt to require specific performance from the purchasers is in the debtors' best interest. Under the

26

amendment the buyer agrees that all of the closing conditions under -- the relevant closing conditions under the purchase agreement have in fact been satisfied.

The debtors and the buyer agree to work together to satisfy some of the buyer's other concerns. And most importantly for the debtors, the buyer agrees to close within two days of your Honor entering an order approving the amendment.

The cost of the amendment to the debtors, your Honor, is the debtors have agreed to increase the networking capital adjustment, so that we believe that the net effect of this purchase will, by another five million, make the net effect about 15 million going to the buyer. Mr. Richard Morgner of Miller Buckfire, who is in the courtroom, your Honor. He was the debtors' lead investment banker. He could testify to the facts stated in the motion

and to the debtors' business judgment as to why they believe that entering into this amendment is the right course of action and that closing this transaction on the amended terms is in the best interest of the debtors and their estates.

THE COURT: Does anyone want to be heard with respect to the proffer? Does anyone want to examine the witness? Does anyone want to be heard with respect to the transaction?

MR. MAYER: The committee's professionals have looked at this in some detail, your Honor, and we support the relief requested.

THE COURT: I'm a little bit troubled, because this is being modified based upon a resolution of legal issues as to whether or not the other party to the transaction would be required to close. And now that closure is taking place at a further expense of some five million dollars.

Who's operating this business at this time?

MR. ENGMAN: The debtors are, your Honor.

THE COURT: And has the business been sustaining losses during this period of time?

MR. ENGMAN: Significant losses, your Honor.

THE COURT: So that we are dealing with more than five million dollars going the other way?

MR. ENGMAN: Substantially.

THE COURT: What does significant mean?

MR. ENGMAN: Your Honor, we believe that if

litigated the potential losses of either attempting to shut down this business or maintaining the operations so that specific performance could happen at the end of the litigation would far exceed the five million and I think be in the 20 to 30 million dollar range.

A VOICE: The business is losing two million a month right now.

MR. ENGMAN: The business is losing two million a month right now, your Honor.

MR. MAYER: Your Honor, there are other issues about the availability of specific performance relief that I don't think is appropriate to go into here. Suffice to say that although the committee is not happy about watching the price of getting out of this business go up, we were convinced that, after a fair amount of due diligence of our own, looking into the competing allegations as to whether or not there was a breach, whether or not performance could be compelled, whether or not remedies really were available against the buyer, and the degree of operational losses that would be sustained, we did believe that this made some sense.

THE COURT: This buyer appears to have very significant advantage and benefit over other parties in interest or potential purchasers in that it's achieved a CIFIUS approval, which is very hard to come by to be a qualified purchaser.

MR. MAYER: Your Honor --

MR. ENGMAN: Your Honor, as debtors' counsel it's a little harder for me to state the other side's case, but I don't want to overstate ours either.

29

One of the reasons that CIFIUS approval has been granted is because of the removal of the ITAR assets, and the ITAR assets are not excluded assets in the original agreement. It's a little unclear that while we maintain that we could force closing, notwithstanding that we would not be delivering all the of the assets that were provided for in the original agreement, I don't know that the court would ultimately make the same conclusion.

Candidly, your Honor, while we thought it was a better deal the way that it was, we still believe that no other party before or after was willing to acquire these assets and these liabilities for any like amount, and we believe that it is in fact the best deal that the estate can get or would get. And accordingly, it remains in the best interest of the estate.

THE COURT: When is closing supposed to take place?

MR. ENGMAN: We've asked for within two days. And as a consequence, the proposed order, your Honor, asks for a waiver of the ten day automatic stay. It's set to close Friday.

THE COURT: Well, in view of the specter of on going losses while the debtor maintains possession of these assets and based upon this record, I do find that it just gets over the line with respect to being within the

30

zone of reasonableness. And given that the creditors' committee has done it's due diligence and is supporting the

transaction, I will approve it.

MR. ENGMAN: Thank you, your Honor. If I can approach I do have a proposed order.

THE COURT: Yes.

MR. ENGMAN: There's one change from the order that was attached to our motion, and that that's simply in paragraph 3. One of the assets being sold is the name Coupled Products. And as a consequence, we are asking for express authority to change the debtors' name from Coupled Products LLC to CP Products LLC.

THE COURT: Duly noted. I've signed the order.

MR. ENGMAN: Thank you, your Honor.

MR. ELLMAN: Your Honor, Jeffrey Ellman again on behalf of the debtors. Moving on with the agenda to item 6, which is a retention application for Cushman and Wakefield of Oregon, Inc. to serve as appraisers for the debtors. These will be real property appraisers. It's also seeking approval of Cushman and Wakefield's fee structure.

This is the second in sort of a three part series of these retentions. You may recall, and these relate to fresh start accounting, your Honor. You may

recall that on August 22nd the Court approved retention of Hilco to do personal property appraisal services; that again was approved by a court order on August 22nd.

Cushman and Wakefield, which is before the court today, will be the real estate appraisers for fresh start accounting, and Ernst and Young, which is already a retained professional in the case, along with their other

roles, would expand the scope of their retention to take the lead sort of the lead role in coordinating fresh start accounting. And we expect that an application to do that with respect to Ernst and Young will be filed in the near term. It has not yet been filed.

I believe at the last hearing where we talked about Hilco, we described briefly the fresh start accounting needs, so I won't belabor that. But fresh start accounting principals are to be applied to qualifying debtors upon emergence from Chapter 11. And under those circumstances, the debtor will have to allocate its reorganization valued assets and liabilities that will include doing real property appraisals prior to emergence. And as the court is aware, the debtors are pursuing vigorously emergence by the end of the year, if possible, and therefore this is an appropriate time that we need to have the fresh start accounting up and running.

Cushman and Wakefield is the largest fully

integrated real estate valuation organization in the world. I don't think there should be any issue about their qualifications to do the job. One thing to mention, which is very similar of what was presented to the court on Hilco, is that Cushman and Wakefield through an affiliate did provide services to Citigroup, one of the Citigroup companies prepetition to do real estate appraisals for DIP financing purposes. That engagement is done at this point. They are not continuing to have that role for Citigroup.

But it does mean that they are familiar, they have already done appraisals for about 40 percent of

the properties at issue here. There are no conflicts in our belief because the appraisals are for different purposes. In the financing context these were orderly liquidation valuations for financing. Here we have fair market valuations for the fresh start accounting. Again, this is similar to we did with Hilco.

That background allows Cushman and Wakefield to bring to bear some efficiencies that will allow the fee to be much lower than it otherwise would have been.

We also have retained previously in the case Signature Associates, which is a real estate consultant. And they have done some analyses of property and some market studies, I guess is what you could call

them. Cushman and Wakefield can rely, for some of the properties, on those market studies as well. So that we are trying to the take advantage of the services that have been prepared or performed in the past and not duplicating effort, again, achieving some efficiencies in value.

At the end of the day what Cushman and Wakefield will perform is a fair valuation of certain properties, about 13 fiscal on site valuations and about 69 desktop appraisals, and then reviewing about 17 of these market studies just for reasonableness that have already been concluded, and then in 60 days the debtors will get a report.

Between Cushman and Wakefield, Hilco and Ernst and Young, the roles are well defined. We don't believe there will be duplication. We believe the affidavit submitted with the application demonstrates that

there is not a conflict or disinterest in this problem. We do have a person that enquired about Section 327.

The fee is a flat fee of 300 thousand dollars; that includes expenses. Again, we think that is much lower than it would have been given the circumstances. There are limitation of liability and indemnity provisions in the engagement, and they have the standard carveouts and limitations that we have seen before in other engagements that the court requires carveouts for bad faith, self

dealing, gross negligence, misconduct, any kind of indemnity has to come to the court, any attorneys fees that they might seek would have to come before the court. And the payment of fees are, of course, subject to court review and subjection to Section 330 review by the committee and the U.S. Trustee.

I had a brief conversation with the U.S. Trustee before the hearing. My understanding is that they have no objection to this retention, and we would ask that it be approved in the form of an order.

THE COURT: Does anyone want to be heard?

The application is granted.

MR. ELLMAN: Thank you, your Honor. If I might approach?

THE COURT: Yes.

I've signed the order.

MR. FEINSTEIN: Your Honor, if I might approach at this point and hand up the Chrysler order as well?

THE COURT: I'll entertain it.

I've approved the Chrysler order.

MR. ELLMAN: Thank you, your Honor.

There are two items left on the agenda. Item number 7 is not going forward today. This was claims matter that I think the court had some conversations about

at a prior hearing. There was one remaining claim on this omnibus objection relating to stock ownership by a gentleman named Stephen Clausen.

The debtors are withdrawing this objection without prejudice. We have determined that from the information that he has provided in his claim, it does not fit within this objection, and it might yet been objectionable. For the reasons it's not a large dollar amount claim, we are going to determine whether it is appropriate at some later date to object to it or not. But for purposes of this objection we are going to withdraw the objection.

THE COURT: Marked withdrawn.

MR. ELLMAN: Thank you, your Honor. And that brings us to the last item on the agenda, which is the debtors' motion to establish the estimation procedures for the claims of the U.S. Environmental Protection Agency and the National Oceanic Atmospheric Administration of the Department of Commerce and the Department of the Interior. I see them coming up here.

I will just do a brief introduction. I have some colleagues here who will take the lead on this, but this is a matter of ongoing importance to our plan process.

As the court is well aware, the debtors

have objected to the claims of the government entities. I mentioned, they relate to six Superfund sites. They are very significant unliquidated contingent claims but they could be as much as 300 million dollars going to the government. So we have to advance the plan process, and for various reasons I'm sure we will discussed here and are annexed in our papers, determine that we do need to move forward with an estimation of the claims based upon the objections that we have. And we are prepared to do so diligently and we would like to have that done by the end of the year to permit our emergence and payment of creditors on the schedule.

On in getting prepared we have with us, I will introduce to the court, the team of lawyers who focused on this and will continue to focus on this project, Steve Bennett, who is our litigator sitting here at counsel table, who I believe is familiar with the court from prior litigation in this case, and also now at counsel table Kevin Holewinski from our Washington D.C. office is an environmental lawyer.

And if it please the court, I'll turn it over to Mr. Bennett to discussion the motion.

MR. BENNETT: Good morning, your Honor.

THE COURT: Good morning.

MR. BENNETT: Steven Bennett from Jones

Day. And as Mr Ellman mentioned, Mr. Holewinski from our Washington office. I think his pro hac vice motion has

been approved, I think he is admitted as well for purposes of this matter.

MR. HOLEWINSKI: Correct.

MR. BENNETT: The real question here is one of convenience of the court as to whether it is possible to conduct this estimation hearing on the schedule that we've proposed. Basically any time after December 4th, we would be available to conduct that hearing. The form of the hearing is also subject for the Court's discretion, but we anticipate that it's conceivable to conduct the hearing in a single day, perhaps a little bit more than that.

But it is an estimation hearing rather than a full scale trial. As the court may well appreciate, there is a good deal of flexibility associated with estimation proceedings, and we would propose that the court first tell us, we would hope, the availability for that hearing, and then we would work backwards from that schedule. We have started with the assumption that the hearing could be conducted in December and have worked a schedule on that basis.

The government opposes and proposes essentially that the hearing not take place on until, at the very earliest, March of 2008. We think that's a non

starter. As the court is well aware, we have a plan support agreement in place that is the result of extensive negotiation connected to the labor proceedings, and is related also to the financial support for the plan. That basically calls for a completion of the plan process and implementation of the plan by the end of February. In order to do that, and in order to meet the expectations of

customers and vendors and other constituents involved in the case, we basically need to have a hearing on this estimation matter sometime by the end of the year, perhaps very early into the new year.

So, from our perspective, it is entirely feasible to conduct such a hearing. The fact is that the matters at issue factually may be somewhat difficult, but the essential estimation process, which is to lay out for the court what the potential exposure is and then to itemize the points of allocation, divisibility, and essentially make some sort of risk analysis as to the potential exposure for the estate. That is a very familiar process, and we think it is one that is well within the competence of this court.

Now the complicating factor here is, from the government's perspective, they have filed a motion to withdraw the reference. We were in front of Judge Scheindlin just yesterday on that subject. She is going to

hear that question at the end of October. That's the schedule that she set based on her availability.

They have also filed a motion for stay pending that determination by the District Court. We think that's a non starter as well, to wait until the end of October to find out whether we are going to go ahead with this process we think makes no sense.

Instead, what we propose is that there be a schedule in place. If at some point there is justification before this court for modification of the schedule, that's always possible to entertain. If at some point Judge

Scheindlin makes this determination on the withdrawal of reference aversely, and we think there is a very good case for our position that is not a matter of mandatory withdrawal, and we have demonstrated to the court with the CERCLA briefing, that the government has in other recent cases proceeded in bankruptcy court through the estimation process for CERCLA claims.

But if, on that sort of worst case scenario, somehow the matter does end up in district court, that would mean that at very least we have a head start on the process. We would have initiated the process, and conceivably could follow that same schedule or have some modification at that point.

In short, your Honor, it's our view that

there's no reason at this point to delay determination of a schedule. There's certainly no reason to start with the assumption that the schedule calls for a hearing in March as opposed to whatever the earliest convenience of the court is in December, largely because picking March immediately blows the plan support agreement, and also will bash the expectations of customers, vendors and others involved in the process.

That all said, your Honor, my understanding is that the creditors' committee has reviewed the matter and they are in support. The ad hoc committee of bond holders had also filed a short statement in support.

And with that, your Honor, I believe we have a form of order available, but I'm sure you want to hear from the government and from the creditors.

MR. MAYER: Who would you like the to speak

first?

THE COURT: Support/pro.

MR. MAYER: I am in support, your Honor.

And I think it's appropriate for the creditors to indicate their view on this matter.

This is a site the debtors haven't owned for 50 years and they haven't operated for 70. In the debtors' disclosure statement there is an indication as to the total amount that's been reserved for environmental

damages on its properties is 15 and a half million dollars. That's it. When the government filed its claims for over 300 million dollars we were thunderstruck. This came out of nowhere for a property the debtors haven't owned for 50 years or operated for 70.

The notion that this claim would delay this case to March, with its concomitant damages of the estate we find profoundly troubling, and would ask your Honor to so order.

MR. YANKWITT: Good morning, your Honor. Russell Yankwitt and Pierre Armand with the U.S. Attorney's Office.

We agree with Mr. Ellman and agree to work diligently to resolve this case; however, the schedule that they proposed is virtually impossible to comply with. The schedule does not allow sufficient time for depositions, it doesn't allow time for third party discovery, it doesn't allow time for in limine motions. There are many complex issues before this court and Judge Scheindlin on joint and sole liability, on divisibility, on allocation of damages.

These are going to require in limine motions which then may or may not be appealed to the district court. The schedule that they provide for is just not workable.

With respect to the argument made that we shouldn't wait until October, until the end of October to

have a scheduling conference, let me explain to the court that between now and the end of October the parties will actually be very busy on this matter, we will be briefing the withdrawal motion before Judge Scheindlin, we will be responding in particular to their opposition motion, we will be responding to the claim in this court which we are not asking for a extension on.

The government has already been voluntarily, without a court order, without document requests, been producing documents to Dana on an ongoing basis. We will continue to do that. We are going to have settlement discussions both as to the non CDE, which is the New Jersey site. There are six other sites throughout the country that we are hopefully going to resolve. We are also going to resume some discussions on the CDE site. All this will happen between now and October. So the parties are very busy.

Furthermore, we are going to appear before Judge Scheindlin potentially on October 3, depending on how your Honor rules on our stay motion. At that point the judge could also give us a discovery schedule as well. So we are not waiting to the end of October to begin work.

For a brief moment, your Honor, of background. The government filed its proof of claim more than one year ago. We were operating under the assumption

that debtors were going to reserve the entire amount, the 300 million dollars amount, and that after they emerged from bankruptcy, we would then have a trial before your Honor or the district court judge, to resolve the true amount of the CERCLA claims.

The debtors changed their mind, which they are entitled to do. But to try to cram this down in two months when there are these incredibly complex issues, both factually. Yes, they haven't used or operated the property in more than 50 years, but under CERCLA that's irrelevant. They are still liable. We need to go back over 70 years, 80 years in terms of factual knowledge, in terms of taking depositions, interrogatories. It's impossible to be done with that in two months, your Honor.

We think it makes sense to wait and see what your Honor's determines on the stay motion and what Judge Scheindlin determines on the withdrawal motion and proceed accordingly.

Alternatively, we have proposed a schedule to your Honor which is aggressive, is ambitious, and we will do our best to comply.

Thank you.

THE COURT: Does anyone else want to be heard?

MR. BENNETT: No, your Honor. I think the

short of this on the necessity for it is obvious to the court. You are well aware of the plan support agreement,

would that we could have operated on this casual basis for determination of this claim, it was simply not the case at this point that we have the luxury of time. We need to have certainty, relative certainty as to the exposure here to move the plan process forward. That's why it's essential.

From our perspective, at least, having a schedule at this point will move the parties into the formal discovery beyond whatever voluntary exchange may otherwise occur. And if at some point there is a need for modification either before this court or ultimately on this worst case scenario that Judge Scheindlin takes it up in district court, we won't have lost of the better part of a month in not pursuing that process.

THE COURT: Well, first I note that both parties have proposed aggressive discovery schedules, which in some respects undercuts many of the government's positions because they seem to be amenable to a very aggressive schedule, and that includes getting to it right away.

With respect to the matters before Judge Scheindlin, whatever determines there determines, but in both instances, whether it's here or there, an aggressive

schedule is called for. And I do note with respect to the schedule that the matters at issue, they, even as pointed out in the government's papers before me, are essentially factual. So, I am constrained to grant the debtors' application for the following reasons: Before me I have the motion (the "Estimation Motion") of Dana Corporation ("Dana") and forty of its domestic direct and indirect

subsidiaries, as debtors and debtors in possession for the entry of an order to establish procedures for the estimation of certain environmental claims pursuant to Section 502(c) of the Bankruptcy Code, 11 U.S.C. Sections 101 through 1532 (the "Bankruptcy Code"), and Rule 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). The relevant claims are proof of claim number 13796 ("Claim 13796") filed for an unliquidated amount against Dana filed collectively on behalf of the United States Environmental Protection Agency ("EPA"). The National Oceanic and Atmospheric Administration of the United States ("NOAA"), the Department of Commerce ("DoC") and the United States Department of the Interior acting through the Fish and Wildlife Service (collectively the EPA and DoC, which we will call the "Government") and proof of claim number 13321 filed on behalf of the EPA in an unliquidated amount against the Debtor Break Systems, Inc. ("Claim 13321" and, collectively with Claim 13796, the

"Claims").

The government seeks to recover 300 million dollars in past and future costs to clean up six different Superfund sites that were allegedly owned and/or operated by Dana during the time that hazardous substances were disposed of there, or at which Dana arranged for disposal of hazardous substances, over the past 100 years. The claims relating to the site in South Plainfield, New Jersey account for most of the 300 million dollars, with 65 million dollars relating to the other five sites. The debtors assert that the Claims are substantially overstated

and should be disallowed entirely, or reduced. On September 6, 2007, the Debtors filed the Estimation Motion (See ECF Docket number 6112). On September 7, 2007, the Debtors filed an objection to the above referenced proofs of claim. (See ECF Docket number 6128). The Government filed an objection to the estimation motion. The Official Committee of Unsecured Creditors and the Ad Hoc Committee of Note Holders, collectively, with upwards of 3 billion dollars at stake in these cases, or possibly much more, filed joinders to the Estimation Motion.

The background is that at the time of the filing of the cases, the Debtors showed liabilities of 7.6 billion dollars and employed more than 45 thousand people and are a substantial factor in a major industrial segment

of the United States.

On August 31, 2007, the Debtors filed their joint plan of reorganization (the "Plan") and are pursuing confirmation of the Plan and their goal of emerging from Chapter 11 before the end of 2007. The Plan includes a plan emergence condition requiring that the total amount of allowed general unsecured claims in certain categories shall not exceed 3.25 billion dollars (the "Plan Cap"). See Section IV.B.5. of the Plan. The Government's Claims are within the group of General Unsecured claims covered by the Plan Cap.

The Claims Procedures Order entered by this Court on November 9, 2006 (see ECF Docket number 4044) expressly reserved the Debtors' "rights to seek an order of the Court approving additional or different procedures with respect to specific Claims or categories of Claims." The

Debtors contend that the prompt determination of the allowed amount of Claims is necessary to facilitate the Debtors' emergence from Chapter 11 by the end of 2007. The debtors are requesting approval of procedures to complete the final estimation of the Claims for purposes of allowance, treatment and distributions in these cases before the end of 2007. The government requests a more lengthy process, including time for extensive discovery and a full trial before this court or otherwise in March of

2008.

With respect to Estimation. Section 502(c) of the Bankruptcy Code provides that:

> (c) There shall be estimated for purposes of allowance under this section --
>
> (1) any contingent or unliquidated claim, the fixing or liquidation of which, as the case may be, would unduly delay the administration of the case;

11 U.S.C. 502(c) see Frito Lay, Inc. against LTV Steel Company (In re Chateaugay Corp.), 10 F.3d 944, (Second Circuit 1993). ("A Bankruptcy Court must estimate 'any contingent or unliquidated claim, the fixing or liquidation of which, as the case may be, would unduly delay the administration of the case'"), In re Lionel LLC, 2007 Westlaw 2261539 (Bankr. Southern District of New York August 3, 2007) In re G-I Holdings, Inc., 2006 Westlaw 2403531, (Bankr. District of New Jersey August 11, 2006) ("Section 502(c) of the Bankruptcy Code is drafted in mandatory terms. That is, any contingent or unliquidated

claim 'shall' be estimated so long as the liquidation of the particular claim would "unduly delay the administration of the case.'"); In re Lane 68 B.R.609, 611 (Bankr. District of Hawaii 1986) ("This duty of the bankruptcy court is mandatory, since the language of [Section 502(c)]

states 'shall'"). A main goal of the Bankruptcy Code is to equitably distribute the debtor's assets among its creditors. Lengthy bankruptcy proceedings cause delayed distributions, which in turn, greatly devalue the claims of all creditors as they cannot use the assets until they receive them. See Paramount Publix Corp., 8 F.Supp.644, 646-47 (Southern District of New York 1934) ("Time is of the essence in bankruptcy administration. An early distribution of the bankrupt's assets among his creditors is imperative").

The government objects to the estimation motion on the grounds that the estimation, and Dana's objection to the Claims, are subject to mandatory or permissive withdrawal to the district court pursuant to 28 U.S.C. Section 157(d) and it is apparent that the Government has already filed their motion to withdraw the reference on September 18th, yesterday. But it is clear from the pleadings before this Court that the dispute is essentially a factual issue. The Government contends that five of the six government claims, totaling 65 million dollars, are not suitable for estimation or early adjudication because they are relatively small and/or not contingent and unliquidated environmental liabilities, however, these claims add up to 65 million dollars and are essentially unliquidated. The Government suggests that

50

document production will be a "major undertaking" and that fact discovery will be complicated because of the time that has passed since the alleged contamination took place. The Debtors, however, contend that significant portions of discovery have already been completed and assert that discovery can be completed in the short timeframe set in their proposed order. The Government also complains that expert testimony in the case will be extremely time consuming because of the large areas involved and the expertise required and cannot be completed in the timeframe proposed by the Debtors, but apparently they do think that they can complete discovery within their timeframe, which is also aggressive.

The Government's Claims are the largest remaining unliquidated disputed claims in these cases. A delay in the resolution of the Claims may impact the ability of the Debtors to emerge from bankruptcy in a timely manner. The Debtors did not bring this time restraint on themselves. Congress enacted in the recent amendments to the Bankruptcy Code, a limitation on the courts' ability to extend exclusivity and elongate the process. The Debtors' exclusivity now expires eighteen months after the date that the petition was filed. In a case such as the one currently before the Court, the Debtors have had much to accomplish in those eighteen

51

months. These Debtors negotiated new customer agreements which came on before the court in a very substantial nature

this morning, secured their management team, renegotiated trade agreements, and resolved substantial and complex issues with their unions, breaking new ground in labor management issues for this industry. The Court cannot fault the Debtors, as the Government suggests, for not litigating the environmental claims earlier in these proceedings, they have had, and this Court has had, a very full plate.

If these Debtors were required to reserve the full amount of the claims filed, the creditors would be held hostage to the Government's plan for drawn out discovery and litigation. If the Debtors are able to confirm their Plan by the end of this year or shortly thereafter, long, drawn out discovery and litigation between the Debtors and the Government should not preclude Dana's creditors from receiving their distributions measured in billions of dollars.

With respect to procedures. Although the Bankruptcy Code does not explicitly detail procedures for estimating claims, a Bankruptcy Court may use whichever method is best suited to the circumstances. Bittner against Borne Chemical Company, 691 F.2d 134, 135 (3d Circuit 1982); In re Seaman's Furniture Company of Union

Square, Inc., 160 BR at 41. In In re Baldwin-United Corp., 55 B.R. 885, 889 (Bankr. Southern District of Ohio 1985) there the court utilized procedure akin to a summary trial where there was no jury, live testimony by one witness per party, a discovery cutoff date, and only two days for the hearing. Many costs adhere to the method set forth in the Baldwin-United case. See, for example, In re MacDonald 128

B.R. 161, 166-67 (Bankr. Western District of Texas 1991) (employing an abbreviated procedures practically the same as Baldwin-United); In re Apex Oil Company, 92 B.R. 843 (Bankr. Eastern District of Missouri 1988) (utilizing a methodology analogous to Baldwin-United); NLRB against Greyhound Lines (In re Eagle Bus Manufacturing), 158 B.R. 421 (District of Texas 1993) (two-day summary trial); DeGeorge Financial Corp. against Novak (In re DeGeorge Financial Corp.), 2002 U.S. District LEXIS 17621 (District of Connecticut 2002) (a one-day trial). Although this is not the only method of conducting the estimation procedure (see In re Nova Real Estate Investment Trust 23 B.R. 62, 65 (Bankr. Eastern District of Virginia 1982), a longer method, such as a full-blown trial on the merits, would "eviscerate the purpose underlying Section 502(c)." "Baldwin-United 55 B.R. at 899. Moreover, a more time consuming method would run counter to the "efficient administration of the bankrupt's estate ..." Bittner, 691

53

F.2d at 135. Furthermore, in estimating the value of a claim, the Court of Appeals for the Second Circuit has stated that the courts should make a "speedy and rough estimation of [the] claims for purposes of determining [claimant's] voice in the Chapter 11 proceedings ..." In re Chateaugay Corp., 944 F.2d 997, 1006 (2d Cir. 1991).

In view of the inability of the parties here to agree on a reasonable reserve sum, and a timeline calculated to permit a substantial and timely distribution to the billions of dollars of other creditors, I do approve the Motion to Estimate. The timeline submitted by the

Debtors for discovery, pretrial briefing, and the initial hearing on matters of law for this court is approved, with certain changes to account for the Court's calendar, that is a trial hearing to be held in January of 2008. That would be early January 2008.

Accordingly, the Debtors' Motion is approved.

MR. ELLMAN: Thank you, your Honor. We do have a form of order. Should we coordinate with chambers on a date? Would you like us to just submit the order and you can fill in the blanks?

THE COURT: You can coordinate with chambers on the dates, and you can coordinate because we will have a chambers conference right now on scheduling.

54

MR. YANKWITT: Your Honor, just simply, if the hearing is going to be in January rather than December, we would ask that schedule be pushed on the interim dates by a week or two just to --

THE COURT: The debtors have already indicated in their proposal that they are accommodating the schedule in accordance with the final hearing date, so that application is granted.

I'll see you all in chambers.

MR. ELLMAN: Thank you, your Honor. That's the end of our agenda.

THE COURT: Thank you all.

(End of Proceedings.)

C E R T I F I C A T E

STATE OF NEW YORK }
} ss.:
COUNTY OF WESTCHESTER }

I, Denise Nowak, a Shorthand Reporter and Notary Public within and for the State of New York, do hereby certify:

That I reported the proceedings in the within entitled matter, and that the within transcript is a true record of such proceedings.

I further certify that I am not related, by blood or marriage, to any of the parties in this matter and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 2007.

_____
DENISE NOWAK

21

22

23

24

25